



# COMMISSION ON INSURANCE

## COUNTY OF LOS ANGELES

Scott J. Svonkin  
**Chairperson**

Daniel Falcon  
**Vice-Chairperson**

Barry R. Binder, Esq.  
Bob L. Blake  
Glenn S. Brown, J.D.  
William K. Callagy  
Michael G. Cheung  
Helene S. Lohr, LOTCT  
Patricia Torres, Esq.  
Steven Vicencia, CPCU

### MINUTES

Meeting of March 19, 2009  
Kenneth Hahn Hall of Administration, Room 374-A  
500 West Temple Street, Los Angeles, CA 90012

**Commissioners Present:** Scott J. Svonkin, Daniel Falcon, Steven Vicencia, CPCU, Helene S. Lohr, LUTCF, Bob L. Blake, Glenn S. Brown, J.D., William Callagy

**Commissioners Absent:** Barry Binder, Patricia Torres and Michael Cheung

### CALL TO ORDER

In the absence of a quorum, Chairperson Svonkin called the meeting to order as a Committee of the Whole at 10:07 a.m.

(Commissioner Bobby Blake joined the meeting at 10:23 a.m.)

### PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Chairperson Svonkin.

### APPROVAL OF MEETING MINUTES

On motion of Vice Chairperson Falcon seconded by Commissioner Lohr and unanimously carried, the January 15, 2009 meeting minutes were approved.

### CHAIRPERSON'S REPORT

Chairperson Svonkin reported the following:

- The Federal Government and the State Government managed to provide assistance to the owners of the Oakridge Mobile Home Park with regards to the clean up and debris removal.

- Chairperson Svonkin identified potential opportunity for the Commission to work with County agencies and the Chief Executive Office to better assist affected individuals with the debris removal and plan a road map for a recovery. Chairperson Svonkin moved this item for further discussion to the next regular meeting scheduled May 21, 2009.
- Chairperson Svonkin directed staff to disseminate a press release (tip sheet) to advise the public of the upcoming brush fires. Chairperson Svonkin moved this item for further discussion to the next regular meeting scheduled May 21, 2009.
- Chairperson Svonkin directed staff to invite representatives from the Chief Executive Office and the Office of Emergency Management to attend the July 16, 2009 Commission meeting to discuss the Sayre fire and the role of the County and how the Commission may be of assistance.
- Chairperson Svonkin directed staff to follow-up on the status of the Federal and State Legislations regarding "Health Care Insurance". In addition, he instructed staff to agendaize this item for the next Commission meeting scheduled for May 21, 2009.
- Chairperson Svonkin announced that Mr. William Caswell, Sr. Vice President and Chief of Operations of Kaiser Permanente of Southern California, will be attending the May 21, 2009 Commission meeting to discuss health care coverage.
- Chairperson Svonkin requested staff to follow up with Blue Cross, Aetna, Cigna, and Blue Shield representatives to discuss health care coverage, and to follow up on the invitation sent to State Insurance Commissioner Poizner.

**UPDATE – ROCKY ARMFIELD, MANAGER, LOS ANGELES COUNTY RISK MANAGEMENT ADMINISTRATION**

Chairperson Svonkin introduced Mr. Rocky Armfield who reported the following:

- County insurance provided by AIG, Aviation, Property and Fiduciary Insurance Programs were reviewed in January 2009.
- AIG intends to form a general insurance holding company, it will consist of a commercial insurance group, foreign general unit, and other property and casualty operations. It will be called AIU Holdings, Inc.

The establishment of AIU Holdings, Inc. will assist AIG in preparing for the potential sale of the minority stake in the business, which ultimately may include a public offering of shares, depending on market conditions.

- State insurance regulators are closely monitoring the financial condition of the AIG affiliated insurance companies and are reviewing activities at the parent company that impacts insurance company assets. Any significant transaction impacting an AIG insurance company, including sale of the company, is subject to state regulator approval.
- Terrorist Risk Insurance Act (TRIA) coverage was extended until December 2014.
- Terrorist Risk Insurance purchased by the County will cost \$5 million to purchase. Only those County buildings that are bonded and insured are covered.
- Mr. Armfield reported that Workers' Compensation numbers are consistent from last years. Through the Workers' Compensation Trust, the County has spent 290 million. The reforms are still holding. However, there are some bills in the State Legislature that cause deep concerns.

Chairperson Svonkin thanked Mr. Armfield for his presentation and requested that he keep the Commission informed of any updates.

#### **PUBLIC COMMENT**

None.

#### **MATTERS NOT POSTED ON THE AGENDA**

None.

#### **ADJOURNMENT**

There being no further business and without objection, the meeting was adjourned at 11:18 a.m.

**ATTENDANCE**

**Staff**

George Britton, Board of Supervisors  
Mireya Rivera, Board of Supervisors

**Guest(s)**

Rocky Armfield, Manager, Los Angeles County Risk Management Administration